





FEB 2 9 2000

February 24, 2000

Surface Transportation Board Office of the Secretary Case Control Unit, Attn: STB Ex Parte No. 582 1925 K Street, N.W. Washington, D.C. 20423-0001

Dear Chairman Morgan,

Thank you for requesting input concerning the process for addressing the ongoing consolidation of the rail industry. The hearings scheduled for March 7 – 10, 2000 are an important step toward gathering the concerns of many on all sides of this issue.

Our companies, Solvay Polymers, Inc., Solvay Minerals, Inc. and Solvay Interox, Inc. - all subsidiaries of Solvay America, Inc. – depend heavily upon the rail industry to transport our products and raw materials. As members of the chemicals and plastics industries, we support the opposition to any further rail consolidation entered into this record by the Chemical Manufacturers Association.

Our position can be stated quite simply:

- At this time, we do not support any further consolidation of the rail industry.
- Legislative action is needed to clarify a national rail transportation policy that requires the STB to give priority to ensuring effective competition among rail carriers, as provided and intended by the Staggers Act. No additional rail consolidation should be allowed until such legislation is passed.
- We believe that true competition is the lifeblood of all other American industry, and that true competition will ultimately strengthen the rail industry, just as it does ours.
- Competition, by our definition, is about shippers having choice among rail carriers, and railroads striving to achieve the same prize...our business.
- Shippers must be provided the means to access and utilize the few remaining rail carriers without prejudice or unreasonable economic penalties from the railroads.
- Rail mergers should be evaluated under the same anti-trust rules and principles as those that apply to other industries, to stem the trend toward monopolies and ensure that true rail to rail competition is available to shippers.

We look forward to our continued participation in this process, which we hope will lead to a stronger, more reliable and more competitive rail industry.

Mike Scherm Director of Logistics

Solvay Polymers, Inc

Paul H. Koenig Director of Logistics Solvay Minerals, Inc

William T. Barnes Director of Logistics Solvay Interox, Inc.

